

Regional variation in Medicare service use (Parts A and B) and prescription drug use (Part D)

ISSUE: Regional variation in service use by Medicare beneficiaries has received considerable attention from analysts and policy makers. The regional variation in prescription drug use under Medicare Part D and its relationship to the variation in use of services in Parts A and B is not as well understood.

KEY POINTS: We estimate regional variation in service use using a different data source and method than what we used in previous analyses. We also examine regional variation in prescription drug use under Part D and assess how it is correlated to variation in service use.

ACTION: Commissioners should review the findings and be prepared to discuss their policy implications.

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